

September 13, 2024

To All Concerned Parties

Company Name	BuySell Technologies Co., Ltd.
Representative	Kosuke Tokushige, President, representative director & CEO
Securities code	7685
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Notice of Establishment of Overseas Subsidiary

We are pleased to announce that our Board of Directors has resolved at a meeting held today to establish a subsidiary in Hainan Province, China, to strengthen our sales channels and other activities.

Note

I . Reason for the establishment of the subsidiary

Our Group's mission is “to be a bridge that connects people, transcends time, and connects precious things. We provide a comprehensive reuse service that realizes a cycle of purchase and sale.

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The “At home-pick up” business will consist of two companies: “BuySell,” one of the largest at-home pick-up services in Japan operated by BuySell Technologies Co., Ltd., and “FUKU CHAN,” a subsidiary of REGATE Inc, a core subsidiary of REXT HOLDINGS CO., LTD., which is scheduled to become a subsidiary through M&A in October 2024.

In the store purchasing business, in addition to the “BUYSELL” store purchasing business operated by the Company, the Company is actively pursuing mergers and acquisitions from 2020 onward, which operates “General Purchase Salon Timeless” in department stores throughout Japan; Four Nine Co. Ltd., which operates “Kaitori Musubi” mainly in commercial facilities such as large-scale shopping malls, as well as the above-mentioned “FUKU CHAN”, which operates store purchasing business. As a result, the Group currently operates 368 stores nationwide (as of August 31, 2024) that purchase 5 brands, including 4 Group purchase subsidiaries.

Our group continues to enhance corporate value by expanding diverse purchase and sales channels and synergy effects among group companies.

Under these circumstances, we have decided to establish a subsidiary in China mainly to strengthen our sales channels. With a population of over 1.4 billion, the Chinese reuse market is large, and Hainan Province (Hainan Island), where we will establish our subsidiary, is a region where tourists, especially wealthy people, come and go and purchase high-end products, especially brand-name goods. Demand for Japanese domestic reuse products, which are highly trusted as “Used in Japan,” is expected to be high in the region. With the establishment of this subsidiary, the Company and its group companies will acquire a new sales channel that will enable them to sell purchased products in Japan at higher unit prices, and in the future, the Company and its group companies will consider a variety of other developments such as expansion of purchase channels.

II. Outline of New Subsidiary

(1) Company Name	BuySell China Co., Ltd. (scheduled)	
(2) Location	Hainan Province, People's Republic of China	
(3) Representative	Chairman of the Board, Kyohei Iwata	
(4) Business	Sales and purchase of used brand goods, etc.	
(5) Capital stock	5,000,000 RMB (Approx. 100 million yen, 1RMB=20.11 JPY)	
(6) Date of Establishment	October 2024 (scheduled)	
(7) Shareholding ratio	100% owned by BuySell Technologies Co., Ltd.	
(8) Fiscal Year End	End of December	
(9) Relationship between the listed company and the company concerned	Capital relationship	Established as a wholly-owned subsidiary of the Company
	Personnel relations	A director of BuySell Technologies Co., Ltd. will serve as the representative.
	Business relationship	Scheduled to sell products purchased by BuySell Technologies Co., Ltd. and its group companies

III. Schedule

(1) Date of resolution by the Board of Directors	September 13, 2024
(2) Date of Establishment	Scheduled for October 2024
(3) Business Start Date	Scheduled for January 2025

IV. Outlook

The establishment of this subsidiary is expected to have a negligible impact on consolidated business results for the fiscal year ending December 31, 2024. However, if any matters arise that should be announced in the future, they will be promptly disclosed.

End.